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April 30, 2024

Senate Commerce Committee  
95 University Ave. W  
St. Paul, MN 55155

Dear Chair Klein and Committee Members:

The Minnesota Council of Health Plans appreciates the opportunity to work closely with the legislature to address complex issues related to health care costs, health equity, and access to high-quality health services. Significant work remains on the public option and the Council urges that work be completed before the proposal is considered for implementation.

For decades, our members have served as key collaborators on developing and supporting successful public programs – our membership helped create MinnesotaCare and develop a viable state exchange. Each required broad collaboration and preparation to be successful. The Public Option proposal, however, continues to lack a detailed market analysis, formal fiscal note, and state appropriation, despite a cost that is estimated to exceed \$2 billion per biennium. In order for the Legislature to be able to craft a successful public option, there are several additional items that must be studied and incorporated into the design prior to implementation, including: examination of broader market impacts, including market stability, adverse selection, and cost shifting to other markets; consideration of impacts to providers including reimbursement, if participation would be required, and impacts to enrollee access to care if providers refuse to serve patients enrolled in the public option. Unfortunately, the recent Milliman study did not include in-depth analysis of any of these considerations. The Council encourages legislators to review the results of the RAND study — [Assessing the Impact of Individual Market Reforms in Minnesota](#) — that the Council commissioned to serve as a resource for identifying policies to best support Minnesotans.

The knowns and significant unknowns of the public option requires the Council to urge your opposition to including the provision in the omnibus bill. We look forward to continuing to work with the author and all stakeholders to identify reform that results in broad access to more affordable, high-quality care.

Sincerely,

A handwritten signature in black ink, appearing to read "Lucas Nesse", with a stylized flourish at the end.

Lucas Nesse  
President and CEO